

## Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>09-2140/3</b>	<b>Introduction Number</b> <b>AB-0261</b>	
<b>Description</b> Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty		
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect  <input type="checkbox"/> Indeterminate  <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes                         <input checked="" type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs  <input type="checkbox"/> Indeterminate  <div style="display: flex;"> <div style="width: 50%;">                         1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> <div style="width: 50%;">                         3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> </div> </div> <div style="width: 33%;"> <b>5.Types of Local Government Units Affected</b>  <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns  <input type="checkbox"/> Counties  <input type="checkbox"/> School Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Village  <input type="checkbox"/> Others  <input type="checkbox"/> WTCS Districts                         </div> <div style="width: 33%;"> <input type="checkbox"/> Cities                         </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> <b>Fund Sources Affected</b>  <input checked="" type="checkbox"/> GPR                               <input type="checkbox"/> FED                               <input type="checkbox"/> PRO                               <input type="checkbox"/> PRS                               <input type="checkbox"/> SEG                               <input type="checkbox"/> SEGS 20.115(1)(a)                         </div> <div> <b>Affected Ch. 20 Appropriations</b> </div> </div>		
<b>Agency/Prepared By</b> DATCP/ Michelle Reinen (608) 224-5160	<b>Authorized Signature</b> Bill Walker (608) 224-4353	<b>Date</b> 6/17/2009

## Fiscal Estimate Narratives

DATCP 6/17/2009

LRB Number	09-2140/3	Introduction Number	AB-0261	Estimate Type	Original
<b>Description</b>					
Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

This bill would prohibit soliciting the purchase of goods or services by the delivery to a recipient in this state of a document that is or appears to be a check or money order payable to the recipient, if the endorsement of the document purports to bind the recipient to purchasing goods or services and the recipient did not request the delivery of the document.

Currently, the department does not specifically track this business practice, however we are aware that the practice does exist and we have received consumer calls and consumer complaints on this issue. In addition, the department has conducted investigations into consumer complaints about unfair billing practices only to discover that the transaction was initiated by a "cash-the-check" scheme. In one of those cases, the department received over 50 written complaints from consumers against the business. Therefore, it is assumed, as with any new area of law, written consumer complaints would increase to at least 500 written complaints a year.

The bill would authorize the department to take specific enforcement action on the complaints received against this business practice. As each complaint takes approximately 1 hour to mediate and every 50 to 100 complaints typically results in an investigation, it is assumed the department would need 0.5 FTE to handle the increase in workload and enforcement responsibilities.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> <b>09-2140/3</b>		<b>Introduction Number</b> <b>AB-0261</b>	
<b>Description</b> Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  Office setup, desks, telephones, computers and supplies \$10,000.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$21,800	\$	
(FTE Position Changes)	(0.5 FTE)		
State Operations - Other Costs	7,100		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$28,900</b>	<b>\$</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	28,900		
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$28,900	\$	
NET CHANGE IN REVENUE	\$	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DATCP/ Michelle Reinen (608) 224-5160		Bill Walker (608) 224-4353	6/17/2009